

Information Update for the Joint Legislative Oversight Committee on Mental Health,  
Developmental Disabilities and Substance Abuse Services

February 27, 2008

Division of Mental Health, Developmental Disabilities and Substance Abuse Services

**AREAS OF FOCUS:** As set forth in the special provision below (emphasis added), contained in SL 2007-323, HB 1473, Section 10.49(ff), there are two key requirements which the Division is addressing. These include:

1. **Reporting of income.** While not addressed within the special provision, reporting of income must be tied to family size.
2. **Reporting on the utilization of county funds.**

**SECTION 10.49.(ff)** The General Assembly finds that counties have budgeted almost one hundred twenty-one million dollars (\$121,000,000) to LMEs to pay for mental health, developmental disabilities, and substance abuse services. However, the General Assembly lacks information regarding the specific services that are purchased with those county funds. The General Assembly also lacks data regarding the incomes of persons receiving mental health, developmental disabilities, and substance abuse services that are paid for by either State or county funds. This lack of data severely limits the General Assembly's ability to determine the distribution of services that are being paid for with public funds, whether persons who are eligible for Medicaid are being enrolled in that program, and whether expanding the State's Medicaid eligibility criteria would impact a significant number of mental health, developmental disabilities, and substance abuse services consumers. Therefore, LMEs shall report annually to the Division all expenditures from county funds by the LME for services, start-up expenses, and capital and operational expenditures, regardless of the source of the funds and regardless of whether the funds were earned on a payment for service or grant basis. This reporting shall include specific information regarding the expenditure of all funds provided to the LME by the county or counties contained in the LME's catchment area and the amount of expenditures for services provided by the multicounty LME to residents of each county in the multicounty LME's catchment area. To the extent possible, the information shall be submitted through the Integrated Payment and Reimbursement System. LMEs shall also gather income data for all individuals receiving services.

**UPDATE:**

**1. Reporting of Income:**

- A. Reporting instructions have been modified and LMEs and their providers are now required to submit information on the income and family size of individuals served.

- B. Income and family size information is now being collected on all new consumers entering services. Information of income and family size is to be submitted on all current consumers prior to June 1, 2008.
- C. Income and family size information will be submitted as it collected.

## **2. Utilization of County Funds**

- A. The Division established a work group to secure input on this task from LMEs, N.C. Association of County Commissioners and the NC Council of Community MHDDSA Programs. LMEs on the work group include: Mecklenburg, Wake, Western Highlands, and Sandhills. Rebecca Troutman represents the N.C. Association of County Commissioners and Yvonne Copeland represents the NC Council of Community MHDDSA Programs.
- B. The work group met on October 29, 2007, and reviewed numerous options for capturing the utilization of county funds data, including special reporting and the utilization of the Integrated Payment and Reporting System (IPRS). While IPRS reporting will enable a certain level of consumer specific reporting, such changes will require modifications in the reporting system to capture the value of services provided to consumers via the use of county funds. County funds are also used in various funding arrangement which do not lend themselves to IPRS consumer specific reporting.
- C. In order to provide county funding information needed by the General Assembly, the following are the next steps:
  - i. Division staff will continue to meet with the work group and finalize plans for modifications to IPRS which will enable a certain level of consumer specific reporting. Coupled with this the work group will also determine the most efficient and effect manner for securing additional information on the use of county funds which cannot be captured via the IPRS system. These plans are to be finalized by the end of March 2008 in order to allow 90 days lead time for modifications which LMEs and Electronic Data Systems (EDS) will need to modify current systems for county funding reporting purposes.
  - ii. In order to secure information for the current fiscal year, a reporting form has been developed which will be utilized by the Division and LMEs to report on the utilization of county funds. This reporting form is designed to capture information on an annual or periodic basis.